

AMENDED IN SENATE APRIL 9, 2015

SENATE BILL

No. 697

Introduced by Senator Hertzberg

February 27, 2015

An act to amend Section ~~1904~~ 5387 of, and to repeal Section ~~1906~~ 5385.5 of, the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 697, as amended, Hertzberg. ~~Public utilities: certificates of public convenience and necessity: fees. Charter-party carriers of passengers.~~

The Passenger Charter-party Carriers' Act places charter-party carriers of passengers, as defined, under the jurisdiction of the Public Utilities Commission. Under existing law, no charter party carrier of passengers may operate a motor vehicle on a public highway unless there is displayed on the vehicle a distinctive identifying symbol, in the form prescribed by the commission, showing the classification to which the carrier belongs. For motor vehicles designed to carry not more than 8 passengers, the commission is required to issue a suitable decal with an identifying symbol and of a specified size for that purpose.

This bill would repeal that provision requiring the issuance of the decal.

~~The Public Utilities Act prohibits any street railroad corporation, gas corporation, electrical corporation, telegraph corporation, telephone corporation, water corporation, or sewer system corporation from beginning the construction of, among other things, a line, plant, or system, or of any extension thereof, without having first obtained from the Public Utilities Commission a certificate that the present or future public convenience and necessity require or will require that construction (certificate of public convenience and necessity). Existing law provides~~

that each application for a certificate of public convenience and necessity be accompanied by a fee of \$500, unless the applicant is already operating in the immediate vicinity under the jurisdiction of the commission. Other existing law requires the commission to charge and collect a fee of \$75 for each application for a certificate of public convenience and necessity, or for the mortgage, lease, transfer, or assignment thereof, except for those applications for a certificate that are required to be accompanied by a fee of \$500.

This bill would require the commission to charge and collect a fee of \$500 for each application for a certificate of public convenience and necessity, or for the mortgage, lease, transfer, or assignment thereof.

Existing law establishes the Public Utilities Commission Utilities Reimbursement Account in the General Fund and generally provides that all fees and charges collected under the Public Utilities Code, except penalties, from each public utility be paid into the fund.

Other existing law provides that specified fees, including the fee for filing each application for a certificate of public convenience and necessity, or for the mortgage, lease, transfer, or assignment of a certificate, and fees charged for preparation of certain official documents, are required to be paid at least once each month into the State Treasury to the credit of the General Fund.

This bill would repeal the provision that requires certain fees to be paid at least once each month into the State Treasury to the credit of the General Fund.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 5385.5 of the Public Utilities Code is
2 repealed.
3 5385.5. For motor vehicles designed to carry not more than
4 eight passengers, including the driver, the commission shall issue
5 a suitable decal for purposes of Section 5385, for each vehicle
6 registered with the commission and operated by a charter-party
7 carrier of passengers holding a valid permit or certificate of public
8 convenience and necessity. The decal with an identifying symbol
9 shall be a minimum size of two and one-half inches by six inches;
10 and shall be affixed to the lower right hand corner of the rear
11 bumper of the vehicle.

1 *SEC. 2. Section 5387 of the Public Utilities Code is amended*
2 *to read:*

3 5387. (a) It is unlawful for the owner of a charter-party carrier
4 of passengers to permit the operation of a vehicle upon a public
5 highway for compensation without (1) having obtained from the
6 commission a certificate or permit pursuant to this chapter, (2)
7 having complied with the vehicle identification requirements of
8 ~~Section 5385 or 5385.5~~, 5385, and (3) having complied with the
9 accident liability protection requirements of Section 5391.

10 (b) A person who drives a bus for a charter-party carrier without
11 having a current and valid driver's license of the proper class, a
12 passenger vehicle endorsement, or the required certificate shall be
13 suspended from driving a bus of any kind, including, but not
14 limited to, a bus, schoolbus, school pupil activity bus, or transit
15 bus, with passengers for a period of five years pursuant to Section
16 13369 of the Vehicle Code.

17 (c) (1) A charter-party carrier shall have its authority to operate
18 as a charter-party carrier permanently revoked by the commission
19 or be permanently barred from receiving a permit or certificate
20 from the commission if it commits any of the following acts:

21 (A) Operates a bus without having been issued a permit or
22 certificate from the commission.

23 (B) Operates a bus with a permit that was suspended by the
24 commission pursuant to Section 5378.5.

25 (C) Commits three or more liability insurance violations within
26 a two-year period for which it has been cited.

27 (D) Operates a bus with a permit that was suspended by the
28 commission during a period that the charter-party carrier's liability
29 insurance lapsed for which it has been cited.

30 (E) Knowingly employs a busdriver who does not have a current
31 and valid driver's license of the proper class, a passenger vehicle
32 endorsement, or the required certificate to drive a bus.

33 (F) Has one or more buses improperly registered with the
34 Department of Motor Vehicles.

35 (2) The commission shall not issue a new permit or certificate
36 to operate as a charter-party carrier if any officer, director, or owner
37 of that charter-party carrier was an officer, director, or owner of
38 a charter-party carrier that had its authority to operate as a
39 charter-party carrier permanently revoked by the commission or

1 that was permanently barred from receiving a permit or certificate
2 from the commission pursuant to this subdivision.

3 (d) An officer of the Department of the California Highway
4 Patrol may impound a bus of a charter-party carrier for 30 days
5 pursuant to Section 14602.9 of the Vehicle Code if the officer
6 determines that any of the following violations occurred while the
7 busdriver was operating the bus of a charter-party carrier:

8 (1) The driver was operating the bus of a charter-party carrier
9 when the charter-party carrier did not have a permit or certificate
10 issued by the commission.

11 (2) The driver was operating the bus of a charter-party carrier
12 when the charter-party carrier was operating the bus with a
13 suspended permit or certificate from the commission.

14 (3) The driver was operating the bus of a charter-party carrier
15 without having a current and valid driver's license of the proper
16 class, a passenger vehicle endorsement, or the required certificate.

17 ~~SECTION 1. Section 1904 of the Public Utilities Code is~~
18 ~~amended to read:~~

19 ~~1904. The commission shall also charge and collect the~~
20 ~~following fees:~~

21 ~~(a) Except as otherwise provided in Section 1036 for filing each~~
22 ~~application for a certificate of public convenience and necessity,~~
23 ~~or for the mortgage, lease, transfer, or assignment thereof, five~~
24 ~~hundred dollars (\$500). The commission may adjust this fee based~~
25 ~~on the Consumer Price Index. The fee charged and collected~~
26 ~~pursuant to this subdivision shall not exceed the reasonable costs~~
27 ~~to process the application.~~

28 ~~(b) For a certificate authorizing an issue of bonds, notes, or~~
29 ~~other evidences of indebtedness, two dollars (\$2) for each one~~
30 ~~thousand dollars (\$1,000) of the face value of the authorized issue~~
31 ~~or fraction thereof up to one million dollars (\$1,000,000), one~~
32 ~~dollar (\$1) for each one thousand dollars (\$1,000) over one million~~
33 ~~dollars (\$1,000,000) and up to ten million dollars (\$10,000,000),~~
34 ~~and fifty cents (\$0.50) for each one thousand dollars (\$1,000) over~~
35 ~~ten million dollars (\$10,000,000), with a minimum fee in any case~~
36 ~~of fifty dollars (\$50). No fee need be paid on such portion of any~~
37 ~~such issue as may be used to guarantee, take over, refund,~~
38 ~~discharge, or retire any stock, bond, note or other evidence of~~
39 ~~indebtedness on which a fee has theretofore been paid to the~~
40 ~~commission. If the commission modified the amount of the issue~~

1 ~~requested in any case and the applicant thereupon elects not to~~
2 ~~avail itself of the commission's authorization, no fee shall be paid,~~
3 ~~and if such fee is paid prior to the issuance of such certificate by~~
4 ~~the commission, such fee shall be returned.~~

5 SEC. 2. ~~Section 1906 of the Public Utilities Code is repealed.~~

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